CENTRAL INTELLIGENCE AGENCY

18 March 1949

INTELLIGENCE MEMORANDUM NO. 139

SUBJECT: Estimate of the Significance of Soviet Personnel Changes.

Mo change in basic Soviet policy towards the West can be expected as a result of recent personnel changes in the Soviet hierarchy. These changes were probably designed to increase the efficiency of the party and state mechanisms, politically and economically, both from a long-range point of view and in preparation for any emergency. The relatively rapid consolidation of the West, as currently exemplified by the Atlantic Pact, probably was one of the most important considerations underlying the personnel changes. The realignment of personnel presages intensified efforts to consolidate and strengthen — politically, economically and militarily — the Soviet orbit.

The Soviet struggle for power may be expected to continue undiminished in intensity, although changes of pace and shifts in the focal points of pressure will continue to be a feature of Soviet tactics. Recent speeches by Western European Communist leaders suggest that subversion and sabotage will play an increasingly important role in Soviet-Communist strategy. Vyshinsky and Menshikov are both technical executives without policy functions. Placing responsibility for formal foreign relations in their hands indicates a reduction in emphasis which will be placed on such formal relations. Molotov and Mikeyan, however, will continue to participate in the direction of foreign relations as members of the Politburo and the Council of Ministers.

NOTE: This CIA estimate was prepared in consultation with specialists of the intelligence organizations of the Departments of State, Army, Navy, and the Air Force.

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The relief of Molotov, Mikoyan, and Voznesenski from operational responsibility will leave them free to concentrate on pressing problems of political and economic policy with regard to the entire Soviet orbit, as well as to the outside world. Molotov, as second in the Soviet hierarchy appears to be the logical choice to assume over-all command.

Mikoyan and Voznesenski are the best qualified of Soviet leaders to deal with the economic consolidation and strengthening of the Soviet bloc. Mikoyan with his long foreign trade background can naturally be expected to play a leading role in the Soviet inspired Council of Economic Mutual Assistance (CEMA). Voznesenski, in view of his experience as Chief of the State Planning Commission (Gosplan), may well be chosen to assist in this phase of the Soviet effort. However, the fact that Voznesenski was relieved as a Deputy Chairman of the Council of Ministers may indicate a demotion. In any event, as long as he remains a member of the Politburo, he can be expected to participate in some phase of Soviet economic planning.

One of the first effects of this Soviet realignment will probably be evident in the case of Tito. Tito's defection and its ramifications is undoubtedly the most pressing internal problem of the Soviet sphere and demands a drastic solution.

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COMMENT BY DEPARTMENT OF STATE

The Department of State concurs in the attached draft of CIA Intelligence Memorandum No. 139 and wishes that there be added as a supplement the following points:

- 1. Sufficient evidence is not yet available to determine the significance of the Soviet personnel changes. Consequently any estimate at this time is necessarily a matter of speculation. All indications, however, point to continued Soviet prosecution of the cold war, although shifts in tactics and in location of pressure points may be expected. Both Molotov and Mikoyan will continue to participate in the direction of foreign relations as members of the Politburo and of the Council of Ministers. Their successors, Vyshinsky and Menshikov, are clearly identified with Moscow's previous tactics.
- 2. Among the speculative estimates regarding the meaning of those changes that involved the three Politburo members (Molotov, Mikoyan, Voznesenski) are the following:
- a. that they were ousted to clear the board for a major reorientation of Soviet foreign policy aimed at achieving a temporary accommodation with the West. This is belied by all present evidence.
 - b. that they were freed from administrative detail in order to
 - (1) groom one or several of them for assuming the mantle of an aging Stalin; and/or
 - (2) to devote more time to top policy questions; and/or
 - (3) to devote more time to the administration of the economic, political, and military coordination of Eastern Europe; and/or
- c. that they were freed to serve in a reconstituted State Defense Committee (which was set up after the Nazi's attack and operated as a war cabinet until 1945) and otherwise to prepare for a general intensification of the cold war.

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- 4. As for the timing of the personnel shifts, it should be noted that the changes took place in the midst of a Soviet intensification of the cold war, designed to weaken the position of the West and to strengthen the Soviet position, particularly in Eastern Europe. Since January 1, these developments have taken place or are apparently in preparation:
 - a. Communist adoption of a more militant attitude as part of the Soviet drive against the North Atlantic Pact with Communist leaders threatening sabotage of Western defense efforts and a paralyzing civil strife in the event of war involving the USSR,
 - b. evidence of tighter coordination by Moscow of national Communist parties,
 - c. an intensive drive to build up a war scare in order to rally the people of the world "in defense of peace";
 - d. creation of the Eastern European Economic Council,
 - e. reports of preparations by the satellites surrounding Yugoslavia for increasing pressure against Tito in the form of guerrilla action,
 - f. increase of Soviet troop strength in Germany,
 - g. Soviet notes to Norway and a reported Soviet inquiry of Turkey's intentions toward a Mediterranean pact,
 - h. increased Soviet propaganda attacks on Finland and Iran,
 - i. intensified drive against the Catholic and Protestant churches in Eastern Europe,
 - j. a 20 percent budget increase for Soviet military expenditures,
 - k. Soviet propaganda reports of "partisans" activity in Yugo-slavia and South Korea,
 - 1. Stalin's "peace gestures"through Kingsbury Smith.

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